

**DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING**

November 5, 2013

FINAL MINUTES

BOARD MEMBERS

Present: Dilip Bhavnani, Howard Klein, Alex Klein (proxy for Matt Klein), Larry Rauch, Mark Shinbane,

Absent: James Barich Ernie Doizaki, Richard Gardner, Michael Tansey

STAFF: Ed Camarillo, Fred Faustino, Estela Lopez, Jessica Whaley

CONSULTANTS: Ken Coelho, Aaron Aulenta

GUESTS: Gene Page, Alona Hassid

I. CALL TO ORDER

Rauch called the meeting to order with a quorum at 9:35am. Estela Lopez introduced guests Gene Page from Lindom Properties and Alona Hassid, property owner in the District.

II. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

III. APPROVAL OF MINUTES

M. Shinbane made a motion to approve the August 6, 2013 minutes, and H. Klein seconded. The Board unanimously approved.

IV. PRESENTATION: 420 E. THIRD STREET

Page presented a project proposal by the Lindom Company for 420 E. Third Street. Plans include improvements to the already existing building, both interior and exterior, including the repurposing of the balconies to provide more inviting public spaces. The goal of the project is to brighten the corner with

landscaping and artwork, with the hopes of increasing leasing potential, as well as adding new life to this area of the district.

V. CITY ATTORNEY UPDATE

Lopez explained that due to a last minute conflict, a representative from the City Attorney's office was unable to attend.

VI. FINANCE

A Finance Committee meeting was held on November 1. Minutes of that meeting were provided to the Board. Coelho and Lopez summarized the report provided to the Committee and its recommendations.

Coelho reviewed year-to-date financials at September 30, 2013 for DID, reporting that there is projected to be an estimated \$190,000 cash in the bank at year's end and \$167,000 in prior BID funds. However, there may be additional expenses paid before year end that could reduce the projected amount, and it was therefore recommended we allocate \$100,000 as carry over funds to the following year.

Coelho reported that the budgeted assessment revenue for 2014 is \$2,006,367. And as previously mentioned, DID has budgeted \$100,000 in carry-over funds.

Coelho outlined each budget category and the respective percentage of the 2014 budget: Security \$1,032,120 (49%), maintenance \$526,592 (25%), ED&C \$189,573 (9%) and Administration \$210,637 (10%). He underscored that the combined total for our clean and safe programs is 74% of the budget. Coelho reviewed the budget category by category.

Shinbane made a motion to approve the 2014 DID BID Budget and H. Klein seconded. The Board unanimously approved.

Lopez requested that the Board consider three additional expenditures for inclusion in either the balance of the 2013 budget or hold for 2014:

1. Replacement of domes on the Skid Row closed-circuit cameras donated to the LAPD in 2006 (\$2,798.37). The City has upgraded the cameras and placed them back in operation after having been awarded a \$20,000 federal grant. The grant was for upgrades to the wiring and software, not the hardware. The Committee unanimously recommended in favor of this expenditure from 2013 funds.

2. Trimming of 17 trees with branches blocking cameras' line-of-sight (\$4375.00). Lopez suggested that the per-tree cost would be significantly lower if the BID contracted with the tree trimming company to do a larger number of trees. DID is scheduled to trim approximately 156 trees in the first quarter of 2014. The committee unanimously recommended in favor of engaging the contractor to trim the 156 trees as soon as possible, using 2013 funds. This would include the 17 trees blocking the camera views.

3. CA BID Alliance's (new group comprised of BIDs statewide) effort to conduct legislative advocacy to amend Proposition 218 to clarify the general vs. special benefit language as it applies to business improvement districts. Each BID in California is being asked to contribute to this effort, based on their assessment revenue budget. DID's contribution would be \$ 2850.00. The Committee unanimously approved this expenditure using prior-BID funds.

Bhavnani made a motion to accept all three funding requests on the condition of determining the type and cost of the domes used for the cameras and H. Klein seconded. The Board unanimously approved.

VII. OPERATIONS

LAPD Update

Sgt. Ramirez, Assistant Officer In Charge, Safer Cities Initiative, provided a public safety update. He stated that there are 50 LAPD officers focused specifically in the Skid Row area. He added that there is a 19% reduction of crime in the area as compared to last year. Shinbane stated that he has seen a visible increase in drug use around his property. Ramirez said that LAPD is enforcing heavily against narcotics dealers and users, making it difficult for these offenders to remain in their usual locations and they are moving around the district.

Alona Hassid, property owner on 7th and Towne, requested an increase in monitoring of the people sleeping on the sidewalk near her property, both during the daytime and evening hours. She stated that the increase in people sleeping on the sidewalk is negatively affecting leasing their newly renovated property.

Report On Maintenance & Security Issues

Camarillo reported that Sgt. Ramirez's SCI team has had a major impact on crime in the area. He added that he attends crime control meetings every Tuesday and that LAPD is being aided by the restored surveillance camera system.

Camarillo also reported that LAPD is no longer removing any property from the sidewalks, making the BID's job more difficult. Bhavnani asked what happens to property if someone is arrested on the sidewalk. Lopez stated that the LAPD is then required to pick up, inventory and store them.

The BID public safety officers handled a total of 5,229 incidents from August to October 2013. Year-to-date totals include 45,532 bags of trash collected; 356 instances of graffiti removed; 1,715 bulky items removed; and 700 weeded blocks in the District.

Check-In Center Update

Camarillo reported that the Check-In Center (CIC) is experiencing an increase in complaints in the period since the LAHSA

Commission hearing in August at which homeless activists expressed their disagreement over CCEA using the facility to store abandoned property relocated from the sidewalk. CCEA is working with LAHSA, which provides approximately \$200,000 annually for CIC operations, to develop a grievance policy for the CIC.

VIII. DID BID RENEWAL

Aulenta provided a status update on renewal of DID BID for the 2015-2021 term, stating that the MDP and ER were submitted to the City Clerk's office in September and should be returned with comments next week. Aulenta added that renewal is still on schedule and we should be able to begin the petition process in January. Lopez stressed that in order to stay on an ideal schedule, the petition process will need to be completed in approximately 90 days. This will be the first DID renewal under the City's new directive to separate special v. general benefits.

IX. EXECUTIVE DIRECTOR'S REPORT

Little Tokyo Community Design Overlay (CDO)

Lopez reported that the CDO may be at the PLUM Committee next week. She will verify. Lopez added that a letter has been submitted in opposition by all properties along the south side of 3rd Street, except the two houses of worship.

X. NEW BUSINESS

Shinbane stated that he wants the CCEA Board to consider engaging in a visioning exercise next year.

Lopez stated that the Holiday Appreciation Luncheon for our contracted security and maintenance personnel is scheduled for December 18th.

XII. EXECUTIVE SESSION

Board discussion on potential litigation. No action taken.

XII. ADJOURNMENT- 11:45AM